

Internal Revenue Service

Department of the Treasury
NO PROTEST RECEIVED
Release Copies to District

Washington, DC 20224

Date 10-17-96

Person to Contact:

Signature [REDACTED]

Telephone Number: [REDACTED]

Refer Reply to: [REDACTED]

Date: AUG 21 1996 T:3

*Ref'd
10/22/96*

Employer Identification Number: [REDACTED]

Key District: Western (Los Angeles, CA)

Dear Applicant:

We have considered your application for recognition of exemption from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(13). Based on the information submitted, we have concluded that you do not qualify for exemption under that section. The basis for our conclusion is set forth below.

On your application for exemption you indicate that you are a perpetual care fund for the [REDACTED]. Your main activities will be to manage the funds that are used for the perpetual care of the interred bodies.

Section 501(c)(13) of the Code provides in part for the exemption from Federal income tax of a cemetery company if it is not operated for profit.

Revenue Ruling 58-190, 1958-1 C.B. 15, holds that an organization receiving and administering funds for the perpetual care of a nonprofit cemetery is exempt from Federal income tax as an organization described in section 501(c)(13) of the Code.

You are not associated with a nonprofit cemetery as was the organization described in Rev. Rul. 58-190. Because you provide for the perpetual care for an organization which was issued a final adverse ruling, you do not qualify for exemption from Federal income tax as an organization described in section 501(c)(13) of the Code. See Rev. Rul. 64-217, 1964-2 (Part I) C.B. 153, which holds that a perpetual care fund the income of which is turned over to a profit-making cemetery company for use in the care and maintenance of the cemetery is not exempt under section 501(c)(13).

You provide for the perpetual care for an organization which is neither a for-profit nor a nonprofit cemetery. Accordingly, you do not qualify for exemption as an organization described in

section 501(c)(13) of the Code and you must file federal income tax returns.

You have the right to protest this ruling if you believe it is incorrect. To protest, you should submit a statement of your views, with a full explanation of your reasoning. This statement, signed by one of your officers, must be submitted within 30 days from the date of this letter. You also have a right to a conference in this office after your statement is submitted. You must request the conference, if you want one, when you file your protest statement. If you are to be represented by someone who is not one of your officers, that person will need to file a proper power of attorney and otherwise qualify under our Conference and Practices Requirements.



If we do not hear from you within 30 days, this ruling will become final and copies will be forwarded to your key district office. Thereafter, any questions about your federal income tax status should be addressed to that office.

When sending additional letters to us with respect to this case, you will expedite their receipt by using the following address:

Internal Revenue Service
Attn: CP:E:EO:T:3, Room 6135
1111 Constitution Ave, N.W.
Washington, D.C. 20224

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely,



Chief, Exempt Organizations
Technical Branch 3